GOVERNMENT OF INDIA
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3363
ANSWERED ON:16.03.2000
SELLING OF WHEAT IN SOUTH AT UNFAIR PRICE
SANJAY PASWAN

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether attention of the Government has been drawn to the news-item captioned `FCIselling wheat in South at unfair price` appearing in the Economic Times dated December 16, 1999;

(b) if so, the reasons for which FCI is selling wheat to Southern States at rates which do not include transportation cost;

(c) whether the traders and millers from northern States have represented to the Government against the policy adopted by the FCI;

(d) if so, the details thereof and the loss incurred by the FCI due to the price war of wheat during the current year; and

(e) the action taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION

(SHRI SRIRAM CHAUHAN)

(a) Yes, Sir.

(b) In order to liquidate surplus stocks of wheat in the Central Pool and to cut downcarrying costs, the rates under the open Market Sale Scheme were revised downwards on 03.12.99. Only 25% of freight charges were added to the acquisition cost of each zone across the board.

(c), (d) & (e) : Yes, Sir. Representations have been received from the Roller Flour Millers Associations of U.P. and Haryana.As a result of the lowering of prices under the scheme, around 22.73 lakh tonnes of wheat could be disposed of from December, 1999 to February, 2000, thereby reducing carrying costs on this quantity. The losses incurred by FCI therefore are nominal.